

MEMORANDUM FOR : All DO Employees

FROM : William W. Wells
Deputy Director for Operations

SUBJECT : FY 78 and FY 79 Reductions --
Implementation Procedures

1. This memorandum outlines procedures approved by the DCI in implementing personnel reductions in the Operations Directorate in FY 78 and FY 79.

2. The Director has ordered a reduction in the Directorate position ceiling. It is to take place during FY 78 and FY 79. As we begin FY 78, we have more employees on board than our new FY 78 and FY 79 ceilings permit, thus necessitating that we identify employees for separation in both FY 78 and FY 79. The Director has ordered that

- a. We reduce personnel at all grade levels;
- b. We provide headroom for promotion at all grade levels; and
- c. We provide for the accession of new personnel.

3. We fully recognize that there is no easy way to accomplish this reduction of personnel. We intend to be as fair and considerate as possible. We will consider all possible factors in identifying those specific employees who are to be separated. Those initially so identified will be notified by 1 November 1977 with none separated prior to 1 March 1978. In the event that the Director of Personnel is not able to find a suitable assignment elsewhere in the Agency, the DCI intends that these separations become

effective as soon after 1 March 1978 as is administratively feasible. Employees to be separated in FY 79 will be notified in writing no later than 1 June 1978 insofar as possible.

4. In identifying employees to be separated, we must consider current and future needs and insure that we maintain our capability to carry out those missions assigned to us by higher authority. Employees at each grade level will be looked at carefully to determine who can be expected to contribute most capably and proficiently to Directorate current and future needs.

5. In determining the number of employees to be separated, we have considered the fact that, in any given fiscal year, a certain number of employees leave the Directorate under normal circumstances -- resignation, retirement and other forms of separation. We have, therefore, factored into our planning a "safe" attrition figure based on past normal attrition statistics. These statistics, however, do not allow us to specifically forecast attrition at each grade level who will leave under normal circumstances. Past statistics do show a greater proportion of normal attrition at lower grade levels. Based on the above, we have determined that by 1 November 1977 approximately 200 employees must be notified that their separation from the Directorate in FY 78 will be recommended. Each such notification by me will be followed by my reviewing the case with the Director of Personnel and notifying him of my action as required by [redacted] and (2). Thereafter each case will be processed by the Director of Personnel as provided by that regulation. STAT

6. As an aid in identifying employees to be recommended for separation, I intend to make maximum use of information developed on individual employees by our yearly comparative evaluations by grade of all employees. The Career Management

Staff (CMS) which administers these Evaluation Boards on my behalf has produced for each grade a ranking of employees to be considered for separation. In developing this ranking, CMS has carefully reviewed all available Evaluation Board rankings and commentary from FY 70 to the present. CMS first identified employees who at any time during this period were ranked in the low 20% percentile by an Evaluation Board. On some employees we have seven years of Board rankings to provide a balanced overall view of individuals. As you know, each year's Boards are composed of different officers, normally at a level two grades above those being evaluated. Thus CMS holdings on individual employees reflect the judgments of a number of evaluators. The span of the holdings on some employees will necessarily vary depending on such obvious things as an EOD date, DOG and/or conversion to professional status.

7. CMS developed a point value system as set forth below to assist in producing the necessary grade ranking. In addition to this point value system, CMS also factored into its rankings the latest available descriptor given to an employee by each Board when it established its comparative evaluation grouping.

Point Values

Low 5% in FY 76	+25
Low 5% in FY 77	+30
Low 5% any time between FY 70 through FY 75	+20
Low 20% any time between FY 70 and FY 77	+10
Low Middle	+ 5
Promotion in either FY 76 or FY 77	-20

Comparative Evaluation Groupings

Substandard	(SS)	+20
Limited Potential	(LP)	+10
Valuable Contribution	(VC)	0
May Develop High Potential	(MD)	- 5
Highest Potential	(HP)	-10

8. Preliminary listings were made by category and grade and, within these groups, a rank order was established according to the point score. The list was then reviewed and some adjustments made taking into consideration whether the employee's record was improving or declining, who had a most recent low rating and the consistency of the low rating(s). CMS also looked for aberrant rankings resulting from factors other than performance. Finally, CMS melded all categories at each grade level.

9. Employees with the most points will therefore be the first to be considered for separation. We recognize that this listing may include a number of individuals who have been identified as making a valuable contribution.

10. In making my final judgment of those to be recommended for separation, I must also consider that some employees are performing certain unique and highly necessary tasks which must continue. This may require retention of these individual employees until such time as a qualified replacement can be selected and trained to perform these unique tasks.

11. In approving our use of a normal attrition figure in our planning for our FY 78 and FY 79 reductions, the Director has charged the Directorate with the need to closely monitor our normal attrition rate in FY 78. If this attrition rate lags behind the estimate we have factored into our planning either overall or for specific grades, he has stated we then must notify additional employees of our intent to separate them from the Operations Directorate in FY 78. Such notification will necessarily have to take place after 1 November 1977.



William W. Wells

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SUBJECT: (Optional)

FROM:

NO.

DATE 21 November 1977

TO: (Officer designation, room number, and building)

DATE

OFFICER'S
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

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